

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
INVITATION TO PROPOSE
REQUEST FOR QUALIFICATION STATEMENTS AND PROPOSALS (RFQ/P)
FOR THE
DESIGN-BUILD OF
A COMMUNICATIONS BASED TRAIN CONTROL SYSTEM
CONTRACT NO. 49GH-110

This RFQ/P is being advertised pursuant to California Public Contract Code Section 22160 et seq. for Design-Build Contracts. The RFQ/P includes instructions for both the submittal of Qualification Statements and Proposals.

Please note that all submittal deadline times provided herein are in Pacific Daylight Time (PDT) or Pacific Standard Time (PST), as appropriate.

Any prospective Proposer intending to participate in the proposal process must pass the Security Clearance for access to the Proposal Documents.

INFORMATIONAL MEETING AND NETWORKING

An Informational Meeting and Networking will be held on Thursday, March 30, 2017 from 2:00 p.m. to 5:00 p.m. at the Joseph P. Bort Metrocenter Auditorium, 101 8th Street, Oakland, California 94607. The Informational Meeting will review the Project Security Sensitive Information (SSI), Disadvantaged Business Enterprise (DBE), and Small Business Entity (SBE) requirements. Time for networking will immediately follow the Informational Meeting and will allow subcontractors to meet the Proposers.

PRE-PROPOSAL MATCHMAKING SESSIONS

In accordance with the District's efforts to support the participation of Disadvantaged Business Enterprises (DBEs) and Small Business Entities (SBEs) on District contracts, all Prequalified Proposers and third parties are requested to participate in Matchmaking Sessions for this Contract. The District will schedule up to three (3) Matchmaking Sessions. The Proposer or third party shall assign an officer or employee equivalent to the project manager, the project engineer or the chief estimator on the Contract as its representative at the Matchmaking Sessions. DBEs and SBEs will be available to discuss individual subcontracting opportunities with Proposers and Third Parties at the Matchmaking Sessions. Proposers will be notified by the District's Office of Civil Rights (OCR) of the dates, times and locations of the Matchmaking Sessions. Within seven (7) Days following notification of the dates for the Matchmaking Sessions, Proposers shall notify OCR of the name of the representative(s) that will be attending on behalf of the Proposer.

If there are any questions regarding the pre-Proposal Matchmaking Session(s), please contact:

San Francisco Bay Area Rapid Transit District
Office of Civil Rights
300 Lakeside Drive, 16th Floor
Oakland, California 94612
Attention: James Soncuya
Telephone: (510) 464-7578, Fax: (510) 874-7470, Email: jsoncuy@bart.gov

REQUEST FOR QUALIFICATION STATEMENTS

NOTICE IS HEREBY GIVEN that prospective Proposers must submit Qualification Statements to the San Francisco Bay Area Rapid Transit District (the District or BART) by 2:00 p.m., Tuesday, August 15, 2017 (Qualification Statement Due Date) at the District's Offices, 23rd Floor, 300 Lakeside Drive, Oakland,

California 94612 (mailing address: P.O. Box 12688, Oakland California, 94604-2688) in order to be eligible to submit a Proposal for the Communications Based Train Control (CBTC) System Design-Build Contract for the Train Control Modernization Program. Qualification Statements will thereafter be accepted or rejected by the District. Proposers are responsible for ensuring that their Qualification Statements are received at the time and location specified above.

The prospective Proposer shall submit with the Qualification Statement an Organization Chart describing members of its Design-Build Entity Team, and in particular the Key Personnel and Subcontractors.

The District will evaluate Qualification Statements on a pass/fail basis and develop a list of Prequalified Proposers based on those evaluations. The BART Board of Directors will be notified of the list of Prequalified Proposers. **Only the Prequalified Proposers will be eligible to submit a Proposal in response to the Request For Proposals.**

REQUEST FOR PROPOSALS

NOTICE IS HEREBY GIVEN that only Prequalified Proposers will be permitted to submit sealed Proposals during the 1st Quarter of 2018 (Proposal Due Date) at the District's Offices, 23rd Floor, 300 Lakeside Drive, Oakland, California 94612 (mailing address: P.O. Box 12688, Oakland, California, 94604-2688) for Contract No. 49GH-110 for a Communications Based Train Control ((CBTC) Design-Build Contract or Contract). Proposals will thereafter be accepted or rejected by the District. Proposers are responsible to ensure that their Proposals are received by the District at the time and location specified above. Proposals will not be opened publicly, but will be evaluated on a Best Value basis.

The time for receipt of Qualification Statements or Proposals may be extended by the District's General Manager, or authorized representative, from the above-stated Qualification Statement Due Date and/or the Proposal Due Date. Notice of any extension for the Qualification Statement Due Date and/or the Proposal Due Date will be published at least once in a newspaper of general circulation within the District, which publication will be at least ten (10) days before the Qualification Statement Due Date and/or the Proposal Due Date.

This Contract includes requirements related to Disadvantaged Business Enterprise (DBE) Participation including Small Business Entity Elements (SBE Elements) as part of BART's DBE program that includes a DBE goal of TBD% of the total Proposal Price excluding any Allowance and Option Items, if applicable. Proposers are required to meet the DBE Participation Goal or demonstrate sufficient good faith efforts to do so as a condition of being eligible for Award of this Contract. There is no Small Business Entity (SBE) goal for this Contract.

Although there is no SBE Participation goal for this Design-Build Contract, Proposers are encouraged to take all steps necessary to provide an equal opportunity for SBEs to participate. Certain provisions will apply to all SBE Subcontractors listed at the time of Proposal.

Proposer's attention is directed to the Instructions to Proposers and Supplementary Conditions Article SC7.1 that more fully describe the terms of the District's DBE and SBE Participation requirements. Inquiries regarding the District's DBE Program shall be directed to the District's Office of Civil Rights, 300 Lakeside Drive, 16th Floor, Oakland, CA 94612, Telephone at (510) 464-6100, or the BART's Website at: www.bart.gov/ocr.

PROPOSERS MAY OBTAIN INFORMATION ON THE STATUS OF THE AWARD OF THIS CONTRACT BY CHECKING THE BART WEBSITE: <http://www.bart.gov/about/bod/meetings.aspx> FOR CONTRACTS SCHEDULED TO BE PRESENTED BY STAFF TO THE BART BOARD FOR AWARD CONSIDERATION.

The Design-Build Contract Work consists of furnishing all management and technical services including coordination, professional services, labor, equipment, materials, safety certification, training, spare parts, and other services to perform the design, manufacture, installation, testing and commissioning, and

handover of the turnkey communications based train control system for BART. The Work includes related vehicle, wayside, communications and Automated Train Supervision (ATS) systems work.

The total estimated cost of the Contract is in the range of \$500 to \$625 million not including Options.

SECURITY SENSITIVE INFORMATION

Any prospective Proposer intending to participate in the proposal process must sign a Non-Disclosure Agreement for Release of Security Sensitive Information for Proposal Purposes ("NDA" or "Agreement") with the District. The Security Sensitive Information as defined in the Agreement includes but is not limited to the Proposal Documents. The Agreement may be obtained from the Office of the District Secretary by submitting a written request, in the form of Attachment 1 to this Invitation to Propose, to the District Secretary by fax to (510) 464-6011 or by mail at the mailing address: Office of the District Secretary, San Francisco Bay Area Rapid Transit District (BART), P.O. Box 12688, Oakland, CA 94604-2688. The written request form (Attachment 1) can also be downloaded from the BART website:

<http://www.bart.gov/about/business/procurement/contractsout.aspx>.

In order to participate, this written request must be received by the District Secretary by **4:00 p.m., Tuesday, April 11, 2017.**

Prospective Proposers must provide the District with a list of all designated individuals who would be responsible for controlling access to this Contract's Security Sensitive Information (SSI) on behalf of their firm as the Security Sensitive Information Handler (SSIH) as well as those individuals who will participate in the Site Tour (see below). A deposit in the form of a certified or cashier's check, valid for at least six (6) months, drawn in favor of the San Francisco Bay Area Rapid Transit District in the amount of five thousand dollars (\$5,000) as guarantee of compliance with the conditions of the Agreement is required. A completed Federal Form W-9 with the Taxpayer ID Number for the prospective Proposer is also required to be provided. The checks from prospective Proposers who have passed the Security Clearance will be cashed once such prospective Proposers have passed the Security Clearance. The checks from prospective Proposers that do not pass the Security Clearance will be returned to them uncashed. The District will hold the guaranty deposit from prospective Proposers that have passed the Security Clearance until the unsuccessful Proposers' Security Sensitive Information Handler (SSIH) certifies that all SSI documents held by the Proposer and its Subcontractors and third parties have been either destroyed or returned to the District. Such certification shall be provided within thirty (30) Days after the Proposers are notified that the District has executed the Contract with another firm. Failure to certify that all SSI documents held by the Proposer or its Subcontractors and third parties have been destroyed or returned to the District will constitute a violation of the NDA. Violations of the NDA will cause a forfeiture of the \$5,000 guaranty deposit and are grounds for disqualifying such Proposer from participation in District Contracts. The successful Proposer's \$5,000 guaranty deposit will be held by the District until the guaranty deposit required by the Non-Disclosure Agreement for Release of Security Sensitive Information for Construction (NDA for Construction) has been established.

Prospective Proposers shall attach to the Agreement a copy of a government issued photo identification (ID), preferably a driver's license or a passport, for each listed individual. The executed Agreement, the required \$5,000.00 deposit, a completed Federal Form W-9 with the Taxpayer ID Number for the prospective Proposer, and IDs, must be received by the District Secretary at the address contained herein by **4:00 p.m., Tuesday, May 23, 2017.**

The prospective Proposer is requested to submit to the District Secretary, Attn: Jacqueline Edwards at the address contained herein, sealed envelope labeled "Personal Information and Agreement for Contract No. 49GH-110", containing the IDs, Exhibit A Security Screening Log for

Release of Security Sensitive Information, the certified or cashier's check, the completed Federal Form W-9 with the Taxpayer ID Number for the prospective Proposer, and the Agreement.

Prospective Proposers' attention is directed to Section 6 of the Agreement that requires, before prospective Proposer discloses any SSI to a third party (Subcontractors, Suppliers, Consultants and other third parties), such third party must execute the Third Party Non-Disclosure Agreement for Release of Security Sensitive Information for Proposal Purposes (Third Party NDA for Proposal) and complete a security screening. The Third Party NDA for Proposal may be obtained from the Office of the District Secretary by submitting a written request, in the form of Attachment 2 to this Invitation to Propose, to the District Secretary by fax to (510) 464-6011 or by mail at the mailing address: Office of the District Secretary, San Francisco Bay Area Rapid Transit District (BART), P.O. Box 12688, Oakland, CA 94604-2688. The written request form (Attachment 2) can also be downloaded from the BART website:

<http://www.bart.gov/about/business/procurement/contractsout.aspx>.

Such third party must provide the District with a list of all designated individuals who would be responsible for controlling access to this Contract's SSI on behalf of their respective firms as the SSIH as well as those individuals who will participate in the Site Tour. The third party shall attach to the Third Party NDA for Proposal a copy of a government issued photo identification (ID), preferably a driver's license or a passport, for each listed individual. The executed Third Party NDA for Proposal and IDs, must be received by the District Secretary at the address contained herein by 4:00 p.m., Tuesday, November 7, 2017.

The third party is requested to submit to the District Secretary, Attn: Jacqueline Edwards at the address contained herein, sealed envelope labeled "Personal Information and the Third Party NDA for Contract No. 49GH-110", containing the IDs, Exhibit A, and the Third Party NDA for Proposal.

The District will protect all personal information from unauthorized disclosure. The IDs, will be used only for a law enforcement check to compare the names against a Terrorist Watch List. Only individuals who pass the Security Clearance will be allowed to be designated as the SSIH to control access to the SSI for his or her firm and/or participate in the Site Tour. It is anticipated that within fourteen (14) Days after receipt of the executed Agreement/Third Party NDA for Proposal, the \$5,000.00 deposit, the completed Federal Form W-9 with the Taxpayer ID Number for the prospective Proposer, and IDs, the District will notify the prospective Proposers/third parties about the results of the Security Clearance. Such notification will be sent to the address provided by the prospective Proposer/third party in Attachment 1 or 2 to this Invitation to Propose in a manner that provides verification of receipt. The District will include Exhibit A with the notification. The notification to the prospective Proposer/third party who has passed the Security Clearance will address the date and time of the Site Tour.

Members of a joint venture that intend to submit Proposals on the Design-Build Contract will be required to have separately completed the security clearance process for prospective Proposers within the deadlines indicated in this Invitation to Propose, as well as satisfied the requirements for prospective Proposers, including the mandatory pre-Proposal conference and Site Tour. Prospective Proposers proposing as a joint venture will be required to submit an NDA for Proposal in the name of the joint venture by 4:00 p.m. on Tuesday, May 23, 2017. Note: the NDA for a joint venture Proposer will need to be submitted with an executed copy of the joint venture agreement. Such a joint venture will be regarded as having satisfied the eligibility requirements for proposing as long as each of the joint venture partners have otherwise complied with the requirements for Proposers.

The District retains ownership of all SSI. Following execution of the Contract, the District will notify all unsuccessful Proposers of this action and request that all SSI be returned to the District within the next thirty (30) Days. The District will return the \$5,000.00 deposit to unsuccessful Proposers following certification by the unsuccessful Proposers' Security

Sensitive Information Handler (SSIH) that all SSI documents held by the Proposer and its Subcontractors and third parties have been destroyed or returned to the District.

Following receipt of notification that the prospective Proposer has passed the Security Clearance, the prospective Proposer's SSIH or Third Party SSIH who has passed the Security Clearance shall purchase and/or obtain the Proposal Documents in encrypted secured (password protected) CDs from the District Secretary's office, on the 23rd Floor at 300 Lakeside Drive, Oakland, California. Documents will not be mailed. A limited number of hard copies will also be available for purchase and pick up by the respective SSIHs from the District Secretary's Office. Payment for the Proposal Documents will be made by either cash, check, or postal money order drawn in favor of the San Francisco Bay Area Rapid Transit District in the following amount, which includes any applicable sales tax, and is not refundable:

Compact Disc (CD) containing all volumes of Contract Documents	\$20.00
Hard Copy of all volumes of Contract Documents	\$150.00
BART Facilities Standards, Standard Specifications, Release R3.1, dated January 2017 (BFS): BFS Compact Disc (CD)	\$20.00

Copies of BART Facilities Standards, Standard Specifications, and Release R3.1, dated January 2017, may be downloaded from the District's website:

<http://www.bart.gov/about/business/specifications>.

Proposers are informed that all of these documents will be required in the preparation of Proposals. Each Proposal shall be on a prescribed Proposal Form and shall be for the entire Contract including all Proposal Items.

The Contract Documents will not be available at public and private plan rooms. Contract Documents are expected to be available for purchase in July 2017. A Proposer who has passed the Security Clearance but does not wish to purchase the Contract Documents may view them by making arrangements at the BART's offices at 300 Lakeside Drive, Oakland. A request for such viewing shall be directed to the Contract Administrator, Irene Gray, at (510) 464-6390 or email: igray@bart.gov. Viewing sessions are limited to two hours in duration. Additional sessions may be available but are not guaranteed.

MANDATORY PRE-SUBMITTAL CONFERENCE

The mandatory pre-Submittal conference is expected to be held in July 2017. Security Sensitive Information Handlers for the Proposers will be notified of the date, time, and location of the pre-Submittal conference. Only individuals that have provided signed Exhibit B Non-Disclosure Consent Form to be Executed by Employee of the NDA for Proposal will be allowed to participate in the mandatory pre-Submittal conference. All Proposers are required to attend and are requested to confirm their intent to attend this scheduled pre-Submittal conference as well as the names of attendees by notifying the District's Project Administrator, Khern Saelee, by e-mail at ksaelee@bart.gov no less than five (5) Days before the date of the scheduled pre-Submittal conference. At the pre-Submittal conference the District's Disadvantaged Business Enterprise (DBE) and Small Business Entity (SBE) participation policy will be explained and DBE and SBE opportunities discussed. In addition, the District's requirements related to proposing on this Security Sensitive Contract will be explained. A matchmaking session will follow the pre-Submittal conference.

The District will transmit Addenda to all Proposers that the District in its discretion considers necessary in response to written questions and those that arise during the pre-Submittal conference. Oral statements shall not be relied upon and shall not be binding or legally effective. Written Addenda issued by the District as a result of the pre-Submittal conference shall constitute the sole and exclusive record and statement of the results of the pre-Submittal conference.

MANDATORY PRE-PROPOSAL CONFERENCE AND SITE TOUR

The District expects to conduct a pre-Proposal conference in October 2017. Security Sensitive Information Handlers for the Prequalified Proposers will be notified of the dates, times and locations of the pre-Proposal conference and Site Tour. Only individuals that have provided signed Exhibit B Non-Disclosure Consent Form to be Executed by Employee of the NDA for Proposal will be allowed to participate in the mandatory pre-Proposal conference. Only individuals that have passed the Security Clearance will be allowed to participate in the Site Tour. All Prequalified Proposers are required to attend and are requested to confirm their intent to attend this scheduled pre-Proposal conference and Site Tour as well as the names of attendees by notifying the District's Project Administrator, Khern Saelee, by e-mail at **ksaelee@bart.gov** no less than five (5) Days before the date of the scheduled pre-Proposal conference. At the pre-Proposal conference, the District's Disadvantaged Business Enterprise (DBE) and Small Business Entity (SBE) participation policy will be explained. A Site Tour will follow the pre-Proposal conference. The matchmaking session will be planned for the following day.

The District will transmit Addenda to all Prequalified Proposers, such Addenda as the District, in its discretion, considers necessary in response to written questions and those that arise during the pre-Proposal conference. Oral statements shall not be relied upon and shall not be binding or legally effective. Written Addenda issued by the District as a result of the pre-Proposal conference shall constitute the sole and exclusive record and statement of the results of the pre-Proposal conference.

PRE-PROPOSAL WORKSHOPS

In 4th Quarter of 2017, the District expects to conduct pre-Proposal Workshops with each Prequalified Proposer to discuss the Proposer's interpretation and understanding of the Technical Specification requirements. These workshops will be private and the information discussed will not be revealed to any other Proposer. The key objectives of the pre-Proposal Workshops will be to ensure that the Proposer understands the Technical Specifications, that the Technical Specifications enable Proposers to use their Service Proven CBTC technologies and systems, and that the District has the opportunity to clarify the intent of the performance based Technical Specifications and issue any Addenda, if necessary.

RFQ/P DOCUMENT

Qualification Statements and Proposals shall be submitted in accordance with, and subject to, the conditions contained in the Instructions to Proposers (ITP), to which Proposers are referred.

The District may reject any and all Qualification Statements and/or Proposals.

ADDITIONAL INFORMATION

All Work shall be performed in accordance with the laws of the State of California.

California Contractor's License

At the time of Contract Award, the Design-Build Entity must have a valid State Contractor's license, Classification A, and be in good standing with the Contractors' State License Board. The Proposer shall submit with the Proposal, proof of current registration with the State Department of Industrial Relations (DIR) in conformance with the requirements of State Labor Code Section 1775.5 and Section 1771.1. If the Proposer is a joint venture, each of the joint venture participants must have a current, active license in good standing to act separately in the capacity of a Contractor within the State, in accordance with Section 7029 and 7029.1 of the State Business and Professions Code and also be currently registered with the State DIR, or the Proposal may be rejected. Also, if the Proposer is a Joint Venture, the Proposer may submit its valid State Contractor's license number, classification, and expiration date with the Proposal but shall submit such information no later than 2:00 pm on Friday of the week following the date Proposals are due to the Contract Administrator at the address indicated in the ITP. Any Proposal submitted by a specialty contractor must be in compliance with Section 7059 of the State Business and Professions Code.

Prior to commencing any Work in the performance of the Contract, all Subcontractors must show that they hold current California State Contractor's Licenses prior to commencing work, if any, that require such license. Failure to obtain a license shall not be the basis of a delay claim by the Contractor against the District should the District suspend work until such time as the Subcontractor is licensed as required by Law.

Discrimination

The District hereby notifies all Proposers that it is the policy of San Francisco Bay Area Rapid Transit District to ensure that Contractors who contract with the District do not discriminate or give a preference in the award of Subcontracts on the basis of race, national origin, color, ethnicity, or gender.

The District hereby notifies all Proposers that it will affirmatively ensure that in regard to any Contracts entered into pursuant to this Invitation to Propose, DBEs and SBEs will be afforded full opportunity to submit Qualification Statements and/or Proposals in response to this invitation and will not be discriminated against on the basis of race, color, sex, or national origin in consideration for an Award.

The San Francisco Bay Area Rapid Transit District in accordance with Title VI of the Civil Rights Act of 1964, 42 USC § 2000d and Title 49, Code of Federal Regulations (hereinafter "CFR") Part 21, 'Nondiscrimination in Federally-Assisted Programs of the Department of Transportation', issued pursuant to such Act, hereby notifies all Proposers that it will affirmatively ensure that in any Design-Build Contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit Qualification Statements and/or Proposals in response to this Invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an Award.

The Contractor and its Subcontractors shall not discriminate on the basis of race, color, national origin, or sex in the performance of the Contract. The Contractor and its Subcontractors shall comply with the applicable requirements of 49 CFR Part 26 in the performance of the Contract. Failure to comply with these requirements by the Contractor is a material breach of the Contract and may be subject to sanctions, including termination of the Contract, as appropriate.

Certification Regarding Lobbying

Attention is directed to the Proposal Form where all Proposers and any proposed Subcontractors or Suppliers of any tier receiving an amount in excess of \$100,000 under the Design-Build Contract will be required to execute the "Certification Regarding Lobbying". The Proposer is responsible for forwarding all such Certifications to the District within the time frame specified in the Instructions to Proposers.

Fair Employment Practices

Special attention is directed to General Conditions Article GC7.1.2 outlining the Contractor's responsibilities for affirmative action relating to Fair Employment Practices.

This Contract is subject to all Affirmative Action Requirements and Equal Employment Opportunity Area Plans of each county where the Work of this Contract will take place.

Financial Contributions Limitations

Proposer's attention is directed to the ITP Section 2.2.1.2 entitled Certification Regarding Financial Contributions. This Section details the Proposer's responsibility for complying with BART Board of Director's Rule regarding financial contribution limitations.

Debarment Certification

Attention is directed to the Proposal Form where all Proposers and any proposed Subcontractors or Suppliers of any tier receiving an amount in excess of \$100,000 under the Design-Build Contract will be required to execute the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions". The Proposer is responsible for forwarding all such Certifications to the District within the time frame specified in the Instructions to Proposers.

Buy America Certificates

Attention is directed to the Proposal Forms where all Proposers will be required to certify compliance with the Buy America requirements of 49 USC Section 5323(j), and applicable regulations in 49 CFR Part 661 as may be amended from time to time.

Mentor-Protégé Program

The District plans to implement a Mentor-Protégé Program to provide an opportunity for Disadvantaged Business Enterprises (DBEs) or Small Business Entities (SBEs) to receive developmental assistance in business and/or technical areas from experienced businesses. The Mentor-Protégé Program will require, among other things, a written Development Plan which will clearly set forth the objectives of the Mentor and the Protégé and their roles. The Development Plan will be subject to review and approval of the District.

The Proposer will be required to submit a Mentor-Protégé Agreement Commitment Form, included in the Proposal Forms. The Agreement Commitment Form will describe at least one (1) Mentor-Protégé relationship, the Protégé firm being a DBE or SBE Subcontractor(s) on the Design-Build Contract. The Mentor may be a 1st tier Subcontractor rather than the Proposer. The Protégé firm should have a Scope of Work that is part of one of the core activities of the Design-Build Contract. Each Proposer's submittal should discuss how it plans to implement the Mentor-Protégé requirements and provide details such as the name of the Mentor firm and the person coordinating the Mentor-Protégé relationship, as well as the phase of the Design-Build Contract in which the Protégé will be working. If the Protégé will be working on the initial phase of the Contract, the Agreement Commitment Form should identify the Protégé, their coordinator for the relationship, and their scope of work. If the Protégé will be working on a subsequent phase of the Design-Build Contract, the Contractor will be required to identify the Protégé at least 90 Days prior to the start of their work. The Mentor will be required to submit a Development Plan at least 60 Days prior to the start of the Protégé's work, subject to review and approval of the District, detailing the objectives of the parties and the specific steps to be taken to assist the Protégé. The Mentor will be required to submit a quarterly report on the progress of the Mentor-Protégé relationship to BART's Office of Civil Rights. The Mentor-Protégé relationship is expected to last at least as long as the Subcontract of the Protégé, but for no less than one year.

State Labor Code

Special attention is directed to Division 2, Part 7, Chapter 1, Article 2 of the State Labor Code concerning wages. The Contractor and each Subcontractor shall pay to all workers employed in the Work not less than the prevailing rates of wages as determined by the Director of the California Department of Industrial Relations (DIR) or set out in the wage determination of the U.S. Secretary of Labor, whichever is greater. Pursuant to Section 1773 of the State Labor Code, the District has obtained from the Director of the DIR the general prevailing wage rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the Work is to be performed and has copies available upon request from the Procurement Department, 300 Lakeside Drive, 17th Floor, Oakland, California 94612. The wage determination of the U.S. Secretary of Labor is contained in the Contract Book following Supplementary Conditions Article SC10. For a craft or classification not shown on the general prevailing wage determinations, the Contractor may be required to pay the wage rate of the most closely related craft or classification shown in such determination for Contract Work or request a determination from the State Department of Industrial Relations for the craft or classification.

Proposer's attention is directed to Supplementary Conditions Article SC7.3.1 which describes the State Labor Code Section 1725.5 and Section 1771.1 that, among other things, require all Contractors and Subcontractors to be registered with the DIR in order to be qualified to propose on this Contract or to be listed as a Subcontractor on any Proposal submitted subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of work in this Contract.

Proposers are informed that pursuant to Section 1771.4 of the State Labor Code, this Contract is subject to compliance monitoring and enforcement by the DIR. Furthermore, the Contractor shall post Jobsite notices, as prescribed by regulation. Each Contractor and Subcontractor shall furnish the payroll records specified in Section 1776 of State Labor Code directly to the Labor Commissioner at least monthly and in a format prescribed by the Labor Commissioner.

Federal Regulations

The Design-Build Contract is subject to a financial assistance contract between the District and the United States Department of Transportation, Federal Transit Administration (hereinafter called "FTA"). This Design-Build Contract is expected to be partially funded under a grant from the FTA. Attention is directed to the Proposal Form where all Proposers and certain proposed Subcontractors and Suppliers will be required to certify that they and any such proposed Subcontractors and Suppliers are presently not debarred, suspended or declared ineligible to participate in U.S. Government contracting activity. The Design-Build Contractor will be required to comply with all applicable Equal Employment Opportunity Laws and Regulations.

Substitution of Securities

Proposer's attention is directed to General Conditions Article GC9.7.1.1, Substitution of Securities that permits the substitution of securities by the Contractor for any monies retained by the District to ensure performance under this Contract.

Project Stabilization Agreement

Proposer's attention is directed to ITP Section 2.2.1.3 entitled Addendum A to Major Projects Project Stabilization Agreement. This Section refers to Project Hiring Goals for this Contract. Supplementary Conditions Article SC7.9 Project Hiring Goals provides additional information regarding the Major Projects Project Stabilization Agreement executed by the District. Proposer and Subcontractors of any tier shall complete and sign the Addendum A to Major Projects Project Stabilization Agreement - Agreement To Be Bound contained in the Proposal Forms.

Proposer's Security, Performance Bond and Payment Bond

Each Proposal shall be accompanied by a Proposer's Security equal to at least Two Million Dollars (\$2,000,000), which shall remain in full force and effect for the period of time stated in ITP Section 7.1 Contract Award. The Proposer's Security must be in the form of a cashier's check, a certified check, a Proposer's Bond, or a combination thereof and payable to the San Francisco Bay Area Rapid Transit District. The Proposer to whom the Contract is awarded shall comply with the District's insurance requirements. In addition, such Proposer shall furnish a Performance Bond and a Labor and Materials Bond (Payment Bond), each in an amount not less than 100 percent (100%) of the Contract Price. Bonds shall be on forms provided by the District and shall be executed as surety by a corporation or corporations authorized to issue surety bonds in the State of California, as an admitted surety insurer and acceptable to the District.

Maintenance Oversight and Support Services (MOSS) Contract

The District is also requiring Proposals to be submitted for a Maintenance Oversight and Support Services (MOSS) Contract (Contract No. 49GH-120) for a term of 10 years with two 5-year Options. The purpose of this MOSS Contract is to ensure that the District can operate and maintain the CBTC systems and

subsystems and replace components as supplied under the CBTC Contract. The Proposal for the MOSS Contract will be submitted with the Proposal for the Design-Build Contract and evaluated on a Best Value basis. The District will execute a Maintenance Oversight and Support Services Contract (Contract No. 49GH-120) with the Contractor that will begin from Acceptance of the first migration phase of the CBTC Contract. This will enable the District to have commonality of CBTC operations and maintenance practices. It will also ensure that the same CBTC equipment will be available for BART extensions and fleet expansions.

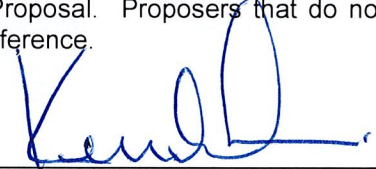
The annual estimated cost of the MOSS Contract is in the range of \$5 to \$7 million dollars.

The Availability Percentages for this MOSS Contract are, for Minority Business Enterprises ("MBEs") 2.2% and for Women Business Enterprises ("WBEs") 1.1%.

This MOSS Contract is subject to the District's Small Business (SB) Participation Program that includes a preference for Proposers who meet or exceed the SB Subsupplier participation goal of TBD% of the total Proposal Price excluding Allowances and Option Proposal items, established for this MOSS Contract.

Proposers that meet or exceed the SB Subsupplier participation goal will be eligible for a Proposer preference of 5% of the Proposal Price of the lowest responsible Proposal for the MOSS Contract up to a maximum of \$1 million, only during evaluation for determining Award of the Contract. However, the actual Contract awarded will be for the amount of the original Proposal. Proposers that do not meet the SB Subsupplier participation goal will not be eligible for the preference.

Dated at Oakland, California, this 13th day of March, 2017.



Kenneth A. Duron
District Secretary
San Francisco Bay Area Rapid Transit District